

**BRUNSWICK COUNTY BOARD OF COMMISSIONERS
OFFICIAL MINUTES
REGULAR MEETING
FEBRUARY 18, 2013
6:00 P.M.**

The Brunswick County Board of Commissioners met in Regular Session on the above date at 6:00 p.m., Commissioners' Chambers, David R. Sandifer Administration Building, County Government Center, Bolivia, North Carolina.

PRESENT: Commissioner Phil Norris, Chairman
Commissioner J. Marty Cooke, Vice-Chairman
Commissioner Pat Sykes
Commissioner Scott Phillips
Commissioner Frank Williams

STAFF: Marty K. Lawing, County Manager
Steve Stone, Assistant County Manager
Huey Marshall, County Attorney
Bryan Batton, Assistant County Attorney
Debby Gore, Clerk to the Board
Ann Hardy, Fiscal Operations Director

1st Sgt. Richard Long

I. CALL TO ORDER

Chairman Norris called the meeting to order at 6:00 p.m. Commissioner Sykes moved to enter Closed Session at 6:00 p.m. pursuant to NCGS 143-318.11 (a) (3) and (a) (5) to consult with the Attorney to protect Attorney-Client privilege and to establish or instruct the staff or agent concerning the negotiation of the price and terms of a contract concerning the acquisition of real property located in Leland and RiverSea. The vote of approval was unanimous.

Chairman Norris called the Regular Session to order at 6:34 p.m. and the Attorney announced that direction was given in Closed Session and will be made public upon response from the other parties.

Commissioner Sykes moved to approve an easement for Piedmont Natural Gas Line and for acquisition of the Thompson Properties up to and including condemnation. The vote of approval was unanimous.

(Attached to these Minutes is an item called Board Action containing all items on this agenda and those items are incorporated herein.)

II. INVOCATION/PLEDGE OF ALLEGIANCE

Vice-Chairman Cooke gave the Invocation and led the Pledge of Allegiance.

III. ADJUSTMENTS/APPROVAL OF AGENDA

Chairman Norris asked if there were any adjustments to the agenda. The following adjustments were made:

1. Commissioner Sykes requested to move Item V-F from the Consent Agenda for discussion under Administrative Report.
2. Marty Lawing County Manager, requested to add an Economic Development request for a Rural Hope Grant through the Rural Center under Administrative Report.
2. Marty Lawing, County Manager, requested to add an Item from Judge Lewis requesting funds for a Bureau of Justice grant to be discussed as the first item under Administrative Report.

Commissioner Phillips moved to approve the agenda as amended. The vote of approval was unanimous.

IV. PUBLIC COMMENTS

Chairman Norris asked if there was anyone in the audience who wished to speak regarding any item on the agenda or any matter that was not included in the agenda. The following citizens addressed the Board:

1. Bernest Hewett voiced concerns with several topics that included the recent merging of the Health Board and Social Services Board and certification training, the Code of Ethics and racism.

V. APPROVAL OF CONSENT AGENDA

Commissioner Sykes moved to approve the Consent Agenda. The vote of approval was unanimous. The following items were approved:

A. Minutes

1. **January 22, 2013 Regular Meeting Minutes**
2. **February 4, 2013 Regular Meeting Minutes**

B. Tax

1. **January 2013 Monthly Tax Collection Report**
2. **October 2012 Motor Vehicle Valuation & Levy**
3. **2012 Valuation & Levy & 2012 Valuation & Levies for Municipality Collections**
4. **February 2013 Tax Releases**

C. Finance

General Fund-Parks & Recreation

Revenues:

Donations	106132-383300	\$1,300
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Expenditures:

Repair & Maintenance-Grounds	106132-435102	\$1,300
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The budget amendment above is to appropriate \$1,300 of donated funds for the purchase of 2 handicap swings for the Brunswick County Parks and Recreation Department.

General Fund-Sheriff's Department

Revenues:

State Drug Tax	104310-332900	\$8,261
Federal Drug Seizure	104310-331004	\$23,135

Expenditures:

Federal Drug Seizure	104310-459700	\$23,135
State Drug Seizure	104310-459800	\$8,261

The budget amendment above is to appropriate \$8,261 of State Drug Seizure funds and \$23,135 of Federal Drug Seizure funds for expenditures at the direction of the sheriff.

General Fund- Cooperative Extension

Revenues:

Fees-Cooperative Extension	104950-335019	\$4,000
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Expenditures:

Special Program Material	104950-423100	\$4,000
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The budget amendment above is to appropriate additional fee revenue in the Cooperative Extension Budget for additional restaurant continuing education courses. The participant fees support the program expenditures with no county funds provided.

General Fund- Sheriff's Department

Revenues:

Sales & Services	104310-383961	\$38,010
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Expenditures:

Salary & Wages Overtime	104310-412200	\$38,010
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The budget amendment above is to appropriate revenue in the amount of \$38,010 received from the City of Charlotte for work performed by Brunswick County deputies at the Democratic National Convention. The appropriation is to reimburse the county for overtime paid to deputies.

Health Department-Immunization Program

Revenues:

Clinic Fees	135126-335006	\$22,079
Medicare Revenues	135126-332070	\$5,857

Expenditures:

Vaccine expenditures	135126-423800	\$27,936
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The budget amendment above is to appropriate revenue in the amount of \$27,936 to purchase required vaccines and supplies for Teen and Kindergarten outreach initiatives.

Wastewater Capital Projects Fund**Expenditures:**

Northeast Regional Capital & Replacement	449800-464314	(\$8,625)
Transfer to the Wastewater Fund	449800-498062	\$8,625

Wastewater Fund**Revenues:**

Transfer from Wastewater Capital Project Fund	629800-398444	\$8,625
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Expenditures:

Repair & Maintenance	627250-435200	\$8,625
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The budget amendment above is to appropriate funds in the Northeast Regional Plant Capital & Replacement funds to the Wastewater Fund for repair and maintenance expenditures at the plant.

Water Capital Projects Fund**Expenditures:**

Booster Pump Station Upgrades	419800-464414	(\$200,000)
Transfer to the Water Fund	419800-498061	\$200,000

Water Fund**Revenues:**

Transfer from Water Capital Project Reserve Fund	619800-398441	\$200,000
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Expenditures:

Capital Outlay-Equipment	617140-455000	\$200,000
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The budget amendment above is to transfer capital project reserve funds designated for Booster Pump Station Upgrades included in the 2013 Capital Improvement Plan.

Sheriff Firing Range Capital Project:**Revenues:**

Investment Earnings	438200-383100	\$16,260
Transfer from General Fund	438200-398110	\$263,740

Expenditures:

Arch/Eng/Legal	438200-464001	\$73,000
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Land	438200-464011	\$207,000
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County Capital Projects Reserve:

Revenues:

Investment Earnings	439801-383100	(\$16,260)
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Transfer from General Fund	439801-398110	(\$263,740)
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Expenditures:

Sheriff Firing Range	439800-464325	(\$280,000)
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The budget amendment above is to transfer capital project reserve funds designated for a Sheriff Firing Range Project included in the 2013 Capital Improvement Plan.

County of Brunswick, North Carolina
Brunswick County Sheriff Firing Range Capital Project

Be it ordained by the Board of County Commissioners of Brunswick County that pursuant to Section 13.2 of the General Statutes of North Carolina, the following ordinance is hereby adopted:

Section 1. The following amounts are hereby appropriated in the Brunswick County Sheriff Firing Range Capital Project:

Sheriff Firing Range Capital Project:

Revenues:

Investment Earnings	\$16,260
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Transfer from General Fund	<u>\$263,740</u>
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Total Sheriff Firing Range Capital Project	\$280,000
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Revenues

Expenditures:

Professional fees	\$73,000
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Land	<u>\$207,000</u>
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Total Sheriff Firing Range Capital Project	\$280,000
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Expenditures

Section 2. The following amounts are hereby appropriated in the Brunswick County General Fund:

Contributions to the Capital Project Fund	\$263,740
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Section 3. It is estimated that the following revenues will be available in the Brunswick County General Fund:

Current Funds Appropriated	\$263,740
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Section 4. This Capital Project Ordinance shall be entered into the minutes of the February 18, 2013 meeting of the Brunswick County Board of Commissioners.

D. Operation Services – Proposed Submittal Request of Mercury Recycling Grant Application

Staff requests approving the Submittal of a Mercury Recycle Grant Application to the North Carolina Division of Environmental Assistance and Outreach.

E. Operation Services – Proposed Water Management Project

Staff requests approving Water Management Project at 729 Seaside Road SW, Ocean Isle Beach, NC.

F. Code Enforcement – Proposed Reclassification

(Moved to Administrative Report under Adjustments to the Agenda)

Staff requests approving the Reclassification of an Administrative Technician I (Grade 61) Position to a Code Enforcement Officer Position (Grade 64).

G. Sheriff's Office – Proposed Detention Center Reclassification to Community Engagement/Public Information Officer

Staff requests approving the Reclassification of a Detention Center Deputy (Grade 61) to a Community Engagement/Public Information Officer Position (Grade 65).

H. Social Services – Proposed Contract with Assisted Care, Inc.

Staff requests approving Contract with Assisted Care Inc. for In Home Aide Services.

I. Operation Services – Proposed Submittal Request for a Community Waste Reduction and Recycling Grant Application to the North Carolina Division of Environmental Assistance and Outreach

Staff requests Submittal of a Community Waste Reduction and Recycling Grant Application to the NC Division of Environmental Assistance and Outreach.

VI. PRESENTATION

**1. Collector Street Plan for Northern Brunswick County
Wilmington Urban Area Metropolitan Planning Organization – (Suraiya Rashid)**

Suraiya Rashid, presented the Connecting Northern Brunswick County, Collector Street Plan for the Town of Leland, Town of Belville, Town of Navassa, and Brunswick County.

Ms. Rashid discussed Collector Streets, Collector Street Plan and the progress so far, Vision and Guiding Statements, Public Outreach, Project Categories and Project Recommendations.

Ms. Rashid also reviewed External Road Connections, Connecting with Adjoining Properties, Gated Communities, Multimodal Design Provisions and Traffic Concerns.

Ms. Rashid invited everyone to a public workshop to be held in Leland Town Hall on March 14, 2013 from 5:30 p.m. until 7:00 p.m. After the Public Hearing the Final Plan will be presented in March and April.

Ms. Rashid indicated that after the Plan is adopted, the Board can tailor the policy suggestions to fit the Brunswick County UDO.

The Board thanked Ms. Rashid for her presentation.

VII. ADMINISTRATIVE REPORT

1. Approval of Bureau of Justice Assistance Grant submission requiring \$66,666 match (Added under Adjustments to the Agenda)

Judge Ola Lewis explained that when this item was declined for the February 4, 2013 agenda, court staff searched for ways to keep these funds from passing by and Dr. Meinke and Jeff Melton, Drug Treatment Court Coordinator, were informed during a conference call with others who were applying for similar grants, that the match could be “in-kind” and did not have to be money. “In-kind” includes, but is not limited to, services, supplies, real property, and equipment. The award is for \$200,000 over two years, making the match \$66,666.

Judge Lewis informed that court staff is currently working with Brunswick County Finance Department to determine the value of the “in-kind” match. The purpose of the grant is to expand drug court capacity at the local levels. The grant considers all courts that follow a drug court model to be eligible for the grant. The Brunswick County DTC, MHC and DWI court follow the model as they link adults involved in the judicial system with treatment services for mental health disorders or co-occurring substance abuse and mental health disorders.

Judge Lewis explained that the grant monies will fund a case manager position for Drug Treatment Court as the Governor’s Crime Commission grant expires on June 30, 2013. When looking at the costs for a Drug Treatment Court Coordinator, court staff deemed that the treatment dollars were more important than the position itself; therefore, court staff has requested funding from the state for funding for the Coordinator position on a permanent basis.

Judge Lewis indicated that a volunteer is currently involved in the courts and his efforts have been valued to meet those “in-kind” needs and asked that the Board merely manage the grant dollars.

Chairman Norris clarified that this is basically the same proposal as before with the exception that there are not any county dollars involved and the match will be made with “in-kind” services and the Judge answered affirmative.

Commissioner Williams asked if the grantor had to approve the nature of the “in-kind” what would happen if they did not approve and the Judge answered that they would not be eligible for the grant with that scenario.

Commissioner Sykes asked if the county would be liable for the match if the volunteer should stop providing services and Dr. Meinke answered that court staff would have to search for another volunteer to step in and provide services.

Commissioner Sykes voiced concerns opposing a county funded position for the courts. Commissioner Williams indicated that with the previous request he was concerned that the county was already providing a building and utilities for the courts but did not have a problem with this request as long as there are no county monies involved and asked that to be documented.

Commissioner Phillips moved to approve the grant application contingent upon the “in-kind” match from volunteer services. The vote of approval was 4 ayes (Phillips, Williams, Norris, Cooke) 1 nay (Sykes).

2. Operation Services – Proposed Demolition of Building J (Stephanie Lewis)

Staff recommends approving Demolition of Building J.

Stephanie Lewis, Operation Services Director, explained that Building J is the former Sheriff's department and jail consisting of block cells with metal doors, a booking area and office space. This building is in need of major repairs including roofing, hvac, mold remediation, electrical, and other associated items. Due to the type of interior structure a majority of this building is unusable. The demolition of this building was budgeted and approved in the CIP budget for FY13. Most of the costs for demolition are in-house costs with the exception of crane rental, relocating fiber optic cables, asbestos abatement and some materials. Some costs will be recouped from recycling the metal and concrete from the building. Funds are budgeted in the amount of \$100,000.

Vice-Chairman Cooke moved to allow staff to proceed with the demolition of Building J as presented. The vote of approval was unanimous.

3. Operation Services – Proposed Piedmont Service Group Proposal for the removal and replacement of six HVAC units on Building B (DSS) (Stephanie Lewis)

Staff recommends approving Proposal of Piedmont Service Group to Replace HVAC Units on Building B in the amount of \$77,742.00.

Stephanie Lewis, Operations Services Director, explained that the HVAC units on building B are over 20 years old and past their life expectancy. There are leaks in the coil systems and the compressors have been replaced multiple times in the units. There is also a Freon leak in the underground line that cannot be located and therefore the line must be replaced. The replacement of the HVAC Units was budgeted and approved in the CIP budget for FY13. Quotes have been received and are summarized in the attached bid tabulation sheet. Funds are budgeted in the amount of \$90,000.

Commissioner Phillips moved to approve the Proposal of Piedmont Service Group to Replace HVAC Units on Building B in the amount of \$77,742.00. The vote of approval was unanimous.

4. Finance – Certify the Sunset Beach Wastewater Collection System cost, establish an assessment method and set a Utilities board public hearing on April 8, 2013 at 5:30 p.m. in the Odell Williamson Auditorium (Ann Hardy)

Staff recommends certifying the Sunset Beach Wastewater Collection System Costs, establishing the Per Parcel Assessment Method, scheduling the Utilities Board Public Hearing for April 8, 2013 at 5:30 p.m. and approving the Associated Budget Amendment and Capital Project Ordinance Amendment.

Ann Hardy, Fiscal Operations Director, explained the following:

Background Information

On November 6, 2006, Brunswick County entered into a Water and Sewer Service Agreement with the Town of Sunset Beach for the construction of a wastewater collection system in the sections of the town not served by public sewer.

The county completed construction of a sewer collection system within the town limits to provide wastewater transmission and treatment for wastewater generated within the town limits. The county designed, permitted and constructed the sewer collection system and transmission mains to transport wastewater from the sewer collection system to a pump station or treatment plant. The county owns and will operate and maintain all facilities. The town is not required to purchase treatment capacity in the system and the county will provide treatment capacity to accommodate the customer base currently and for future growth of the town.

The agreement states that the county shall generate funding for the project by assessing the property owners in a manner consistent with N.C. Gen. Stat. 153A-185 or as provided in a special legislative act specifically for such purpose. The agreement states that the county shall make installment payments a part of the Special Assessment and will extend the annual installments to a maximum of three years. The agreement further states that in addition to the assessment, parcels with existing structures at the time of completion of construction of the collection system that do not voluntarily connect to the system within one year of notification of system completion will be required to pay the sewer capital recovery fee (currently \$3,000), sewer transmission capital recovery fee (currently \$1,000) and tap fee to include the grinder pump fee (currently \$4,000) if located on a non-gravity section of the system and that the county shall place a lien on each property for which the assessment has not been paid in full by the established deadline.

On March 19, 2007, the Brunswick County Board of Commissioners adopted a preliminary assessment resolution for the extending of the Brunswick County Utility System into the area known as the Sunset Beach Area Special Sewer Assessment (#24). The resolution proposed that the basis for making assessments shall be one or a combination of those bases set forth in NC GS 153A-186. The resolution adopted that the percentage of work to be assessed is 100% and the parcels assessed may also be subject to any system impact fees. The resolution proposed terms of payment were payment in full in 60 days following date of the publication of notice of the confirmation of the assessment roll, unless an owner qualifies for installment payments upon such terms and conditions as determined by the County, with interest accruing at the rate as allowed in NCGS 153A-200(a) which is set at a maximum of 8%. A public hearing was held on May 14, 2007 to receive public comment.

In a letter dated August 6, 2008, Mr. Gary Parker Sunset Beach, Administrator, requested that the ten year assessment period be used if the assessment method is selected in funding the Sunset Beach sewer project and requested that the county look into a financing alternative that allows a longer payback period for citizens.

In 2009, the county issued Build America Bonds totaling \$10,786,000 to finance a portion of the project with the semi-annual debt payments to be serviced by customer assessments collected over the term of the assessment period. The county obtained an all in true interest cost of 3.497088%. In 2010, the county issued Recovery Zone Economic Development Bonds totaling \$7,754,576.77 to finance a portion of the project with the semi-annual debt payments to be serviced by customer assessments collected over the term of the assessment period. The county obtained an all in true interest cost of 2.833995%. In 2010, the county received American Recovery and Reinvestment Act Debt proceeds of \$2 million that require repayment of principal with no interest with the debt serviced by customer assessments. In 2010, the county received American Recovery and Reinvestment Act Grant proceeds of \$2,061,396 that do not require repayment. Over the life of the capital project the county has received interest on debt proceeds totaling \$48,465.41 and ARRA Stimulus Debt subsidies on capitalized interest totaling \$675,679.60.

On February 2, 2009, the Board of Commissioners approved the following.

- That when the project is complete in determining the total cost, the Board will include construction costs, legal services, construction period interest, cost of rights-of-way, cost of publishing and mailing notices and resolutions and costs associated with securing financing either thru private placement or a public negotiated revenue bond sale. The Board will not include interest costs beyond the construction period in the assessment but will recover interest costs (referred to herein) from those parcel owners electing to pay in annual installments.

- To provide a discount of 5% to all parcel owners' paying the assessment in full before the expiration of 30 days from the date that the notice is published of confirmation of the assessment roll pursuant to G.S. 153A-196.
- If payment of the assessment is not made in entirety, then payment may be made by annual installments and set the number of installments at 10 and that the first installment with interest is due 60 days after the date that the assessment roll is confirmed, and one installment with interest is due on that same day in each successive year until the assessment is paid in full.
- That any portion of an assessment that is not paid within 30 days after the day that notice of confirmation of the assessment roll is published shall until paid, bear interest at the rate paid by the county to finance the project plus 1% with the maximum rate at which interest may be set at 8% per annum.

On December 10, 2012, Councilwoman Carol Scott and Mayor Richard Cerrato represented the Town of Sunset Beach at the Utility Board meeting. They stated the Town prefers that the per parcel method of assessment be implemented for the Sunset Beach sewer project. The unapproved minutes, provided in the packet, state that Ms. Scott said that they had spent a lot of time going over the numbers and spreadsheets and they have determined that the fairest method is per parcel.

Current Situation

The total cost of the project is \$23,320,219.78 plus the estimated costs of mailing notices of \$2,530, plus the estimated cost of publication of the hearing \$358 and plus the estimated costs of publishing the legal notice of assessment at a cost of \$150, plus the estimated costs of printing and mailing assessment notices \$2,860 for a grand total cost of \$23,326,117.78. Subtracted from that amount are the following deductions: ARRA Grant Proceeds \$2,061,396, ARRA capitalized interest subsidies received of \$675,679.60, and investment earnings on debt proceeds of \$48,465.41. The certified net cost of the project assessable to property owners is \$20,540,576.77. Based on 3,873 parcels and the per parcel method of assessment, the amount per parcel is \$5,304. (\$20,540,577 divided by 3,873 parcels).

95% of the assessment on a per parcel basis is \$5,038 (\$5,304 times 95%) for parcel owners' paying the assessment in full before 30 days from the date the notice is published of confirmation of the assessment roll.

1% greater than the county's actual interest rate of 2.91% is 3.91% for those electing to make 10 or fewer annual installments of \$530.35 plus simple interest.

Mainland property owners have until December 12, 2013 and Island property owners have until April 16, 2013 to connect to the system without incurring capital recovery fees or grinder costs, if applicable.

FINAL ASSESSMENT RESOLUTION FOR THE EXTENDING OF THE BRUNSWICK COUNTY UTILITY SYSTEM INTO THE AREA KNOWN AS THE SUNSET BEACH AREA SPECIAL SEWER ASSESSMENT (SPECIAL ASSESSMENT # 24)

The Brunswick County Board of Commissioners in regular session, duly assembled on February 18, 2013, do hereby resolve as follows:

1. This is an assessment resolution enacted pursuant to the provisions of North Carolina General Statute 153A-185, *et seq.*

2. The Brunswick County Board of Commissioners has directed its staff, pursuant to North Carolina General Statutes stated above, to extend sewer collection lines into the area of the Special Assessment into the corporate limits of Sunset Beach, as permitted by Resolution of said municipality, generally shown on the attached map (Exhibit A) and more accurately shown on the assessment scroll (attached), said scroll having been available and currently available for public inspection of the Clerk to the Board of Brunswick County Commissioners.

3. **The nature of the project was the construction of sewer collection lines and the location of the project is that area included in the description (Exhibit A), said exhibit and attached list showing all the affected parcels as described by the Brunswick County Geographic Information Services and the Brunswick County Tax Office, is on file with and available for inspection at the office of the Clerk to the Board of Commissioners and is hereby incorporated as if fully set out herein, which area is hereby identified as the “benefit zone”.**

4. The basis for making assessments shall be the number of lots served or subject to being served by the project at an equal rate per lot, and those outer boundaries of the said “benefit zone” shall be as described in “Exhibit A,” and more fully described as the attached assessment scroll.

5. The percentage of the costs of the work to be assessed is One Hundred Percent (100%) of the net cost, and the parcels assessed may also be subject to any system impact fees.

6. Assessments may be held in abeyance in the discretion of the County.

7. The proposed terms of payment shall be payment in full thirty (30) days following the date of the publication of notice of the confirmation of the assessment roll, and if such payment is received in full, the total amount due will be reduced by five percent (5%). If such payment is received within sixty (60) days, then no interest will be charged. If such payment is not received in full within sixty (60) days, then the balance due shall be divided into ten (10) annual installments, each installment bearing with simple interest accruing thereafter at the annual rate of 0.0391/hundredths (3.91 % interest) for the next successive ten (10) years, with each annual installment due on or about July 1 of each successive year until the assessment is paid in full. Any annual installment not paid by June 30 of each successive year is considered delinquent and any and all delinquent balances will be collected by all lawful means.

8. A public hearing on this matter is set for April 8, 2013, at 5:30 p.m. in the Odell Williamson Auditorium on the campus of Brunswick Community College, 50 College Road, NE, near Supply, North Carolina.

This the 18th day of February, 2013.

BRUNSWICK COUNTY BOARD OF COMMISSIONERS

s/Phil Norris, Chair

ATTEST:

s/Deborah S. (Debby) Gore, NCCCC
Clerk to the Board

Mailing of Public Hearing Notice	2,530.00			
Publication of Hearing	358.00			
Printing and Mailing of Assessment Notices	2,860.00			
Legal notice of Assessment	<u>150.00</u>			
Subtotal of Expenditures	23,326,117.78			
Less ARRA Grant Proceeds	(2,061,396.00)			
Less ARRA Stimulus Debt Subsidies	(675,679.60)			
Less Investment Earnings on Debt	<u>(48,465.41)</u>			
Total to Assess Property Owners	<u>20,540,576.77</u>			
		% of total	True Interest Cost of Debt Issue	Weighted Average
2009 RBC Revenue Bonds	10,786,000.00	52.5%	3.497088%	1.84%
2010 RZEDB Debt Proceeds	7,754,576.77	37.8%	2.833995%	1.07%
ARRA Debt Proceeds	<u>2,000,000.00</u>	9.7%	0%	<u>0.00%</u>
Total	<u>20,540,576.77</u>	100%		2.91%
			Plus 1%	<u>1.00%</u>
Difference	-			<u>3.91%</u>
Total to Assess Property Owners	<u>20,540,577</u>			
# of parcels	<u>3,873</u>			
Amount Per parcel	<u>5,304</u>			
10 Payments of Per parcel amount	<u>530.35</u>			
95% of Amount Per Parcel	<u>5,038.35</u>			

Recommendation

Staff recommends the Board of Commissioners certify the Sunset Beach Wastewater Collection System net cost of \$20,540,577, establish a per parcel assessment method for an estimated assessment of \$5,304 based on 3,873 parcels, provide a discount of 5% to assess estimated at \$5,038 for those paying before 30 days from the date of notice, set the annual principal installments estimated at \$530.35 at 10 with simple interest of 3.91%, and schedule a Utilities Board public hearing on April 8, 2013 at 5:30 p.m. in the Odell Williamson Auditorium at the Brunswick Community College in Bolivia, NC.

Vice-Chairman Norris moved to certify the Sunset Beach Wastewater Collection System costs (\$20,540,577) establish a Per Parcel Assessment Method and set a Utilities Board Public Hearing on April 8, 2013 at 5:30 p.m. in the Odell Williamson Auditorium and approve the associated budget amendment and capital project ordinance amendment. The vote of approval was unanimous.

5. Finance – Proposed Martin & Starnes Contract to Audit Accounts for FY 2013 (Ann Hardy)

Staff recommends approving Contract to Audit Accounts with Martin Starnes and Associates CPA's, PA for FY 2013.

Ann Hardy, Fiscal Operations Director, explained the following:

Background Information

In November of 2010, the County issued requests for proposals to provide independent public accounting auditing services for the Fiscal Years 2011 thru 2015 and on January 18, 2011 the Board of Commissioners accepted the proposal of Martin Starnes and Associates CPAs, PA.

Current Situation

Martin Starnes, CPAs., PA provided the attached Contract to Audit Accounts for the fiscal year ending 6/30/2013 at the rate of \$60,200 as offered in their original proposal. The firm met all of the contracted audit requirements for the fiscal year 2012. The Local Government Commission requires local governments to issue annual audit contracts.

Recommendation

Staff recommends that the Board of Commissioners authorize the Chairman and Finance Officer to execute the contract to engage Martin Starnes for the fiscal year 2013 audit.

Commissioner Phillips moved to approve the Contract to Audit Accounts with Martin Starnes and Associates CPA's, PA for FY 2013. The vote of approval was unanimous.

7. Finance – Proposed Utilities Reduction Specialists, Inc. Contract for doing business as Tax Reduction Specialists (Ann Hardy)

Staff recommends approving Contract with Utilities Reduction Specialists, Inc. d/b/a Tax Reduction Specialists to Conduct a Sales Tax Reallocations Audit.

Ann Hardy, Fiscal Operations Director, explained the following:

Background Information

Brunswick County has engaged TRS to perform audits of potential sales tax refunds for the tax periods July 2003 thru June 30, 2012. During that time period, TRS identified \$313,735.00 in county sales tax reallocations and received compensation of \$62,747. The recoveries are not due to any error or omission on the part of county staff but due to their unique knowledge of NCDOR

requirements and practices, statewide vendors filing histories, and investigation of payments and refunds filed by entities outside of Brunswick County government.

The proposal from TRS included compensation of 18% of funds recovered

Recommendation

Staff recommends entering into a contract with TRS for the period July 1, 2012 thru June 30, 2013 at a compensation of 18% of refunds received due to discoveries by TRS.

Commissioner Phillips moved to approve the Contract with Utilities Reduction Specialists, Inc. d/b/s Tax Reduction Specialists to conduct a sales tax reallocation audit. The vote of approval was unanimous.

8. Finance – Proposed January 31, 2013 Financial Report (Ann Hardy)

Staff recommends receiving Monthly Financial Report for January 2013 as information.

Ann Hardy, Fiscal Operations Director, explained the following:

General Fund

Presented on the Brunswick County Government website is a schedule of revenues and expenditures-budget and actual for the General Fund for the period ended 1/31/13 on the cash basis with comparative actual amounts for the period ended 1/31/12.

Total revenues for the General Fund at 1/31/13 are \$126.6 million compared to \$122.1 million at 1/31/12 for an increase of \$4.5 million or 3.7%. Total revenues collected are 83.4% of the amended budget for the fiscal year.

Total expenditures for the General Fund at 1/31/13 are \$82.0 million compared to \$81.5 million at 1/31/12 for an increase of \$0.5 million or 0.63%. Total expenditures are 53.1% of the budget for the fiscal year.

Fiscal year-to-date revenues are greater than total expenditures by \$44.6 million compared to \$40.6 million in the prior year for a net \$3.9 million or 9.7% improvement.

Transfer into the general fund at \$0.5 million compared to transfers out to other funds of \$0.4 million for a net improvement of \$0.9 million.

Revenues and net transfers greater than expenditures at 1/31/13 are \$45.0 million compared to \$40.2 million at 1/31/12 for a net improvement of revenues and transfers greater than expenditures of \$4.8 million or 11.87%.

Water Fund

Presented on the Brunswick County Government website is a schedule of revenues and expenditures-budget and actual and changes in fund balance for the Water Fund for the period ended 1/31/13 on the cash basis with comparative actual amounts for the period ended 1/31/12.

Total revenues for the Water Fund at 1/31/13 are \$12.8 million compared to \$13.1 million at 1/31/12 for a decrease of \$0.3 million or 2%, mainly due to less irrigation water sales in the current fiscal year. Total revenues are 64% of the budget for the fiscal year.

Total expenditures for the Water Fund at 1/31/13 are \$9.3 million compared to \$8.8 million at 1/31/12 for an increase of \$0.5 million or 5%. Expenditures are 51% of the budget for the fiscal year.

Total fiscal year-to-date revenues are greater than total expenditures by \$3.5 million as compared to \$4.3 million in the prior year for a net decline of \$0.7 million. Net transfers to other funds are \$3.6 million as of 1/31/13 compared to \$2.7 million at 1/31/12.

Wastewater Fund

Presented on the Brunswick County Government website is a schedule of revenues and expenditures-budget and actual for the Wastewater Fund for the period ended 1/31/13 on the cash basis with comparative actual amounts for the period ended 1/31/12.

Total revenues for the Wastewater Fund at 1/31/13 are \$9.3 million compared to \$8.5 million at 1/31/12 for an increase of \$0.8 million or 9.4%. Total revenues are currently 46% of the budget for the fiscal year.

Total expenditures for the Wastewater Fund at 1/31/13 are \$7.2 million compared to \$6.4 million for an increase of \$0.8 million or 12%. Total expenditures are currently 33% of the budget for the fiscal year.

Revenues are greater than expenditures at 1/31/13 by \$2.1 million with no change from 1/31/12. Net transfers in were \$0.8 million at 1/31/13 compared to net transfers out of \$2.4 million at 1/31/12.

Key Indicators of Revenues and Expenditures

Presented on the Brunswick County Government website are charts with actual history, current month actual amounts and annual budget information for major revenues and expenditures in both the enterprise and general funds.

Cash and Investments

A Summary of Cash and Investments is presented on the Brunswick County Government website as of 1/31/13 reports that the county had \$175.7 million of unrestricted cash and investments in all funds including those accruing for outside agencies that the county performs collections plus \$20.4 million of capital project restricted cash from debt proceeds. All cash and investments are earning an average yield of 0.16%.

The Board received the various unaudited financial reports as information and no action was taken.

8. Finance – Proposed Brunswick County 2013 General Obligation Refunding of 2005AB and 2007AB General Obligation Bonds (Ann Hardy)

Staff recommends approving the Resolution Authorizing the Issuance of General Obligation Refunding Bonds Series 2013A and Taxable General Obligation Bonds Series 2013B and a Bond Order Authorizing the Issuance of Not To Exceed \$21,050,000 General Obligation Refunding Bonds.

Ann Hardy, Fiscal Operations Director, explained the following:

Background Information

Brunswick County currently has four series of general obligation bonds outstanding totaling a par amount of \$20,818,658 that appear to be candidates for refunding. The bonds were issued in 2005 and 2007 to fund or refund prior bonds related to the construction and equipping of educational facilities in the county. A portion of the bonds are now callable and may be refunded. The callable bonds carry an average interest rate of 4.2% with maturities until 2024.

On January 22, 2013, the Board of Commissioners received information from staff that there may be savings in excess of 3% to refund the bonds. At that time, the projected cash savings of refunding the callable bonds was in excess of \$888,277 over the period of 2014 thru 2024.

Current Situation

On February 5th, 2013, county staff conferred with bond counsel, underwriter, underwriter's counsel and the staff of the Local Government Commissioner regarding the potential savings and actions needed to refund the callable portion of the bonds. The current bond market has a large supply of municipal bonds which has eroded some of the potential refunding savings. However, the projected savings are above the LGC target of 3%.

The most recent savings analysis was provided in the packet. The projected true interest cost is 1.58% and the net interest cost, after factoring in the estimated bond issuance costs of \$216,264, is 1.66%. The cumulative projected cash savings is \$779,372 over the period of 2014 thru 2024. Page 7 of the attached analysis provides the anticipated annual cash savings and a calculation of the present value of the savings. The actual savings may be more or less depending on the U.S. National bond market and interest rates at the time of the bond sale.

Application was made to the Local Government Commission to approve the refunding on March 5, 2013 and schedule the sale date for the bonds of March 18, 2013. The percentage savings of the refunding bonds at 3.94% exceeds the LGC guidelines of a minimum savings of 3%. The county is under no obligation to issue the bonds should savings erode.

Bond resolutions, bond orders and other documents authorizing staff to complete the steps necessary for the sale of the bonds were included in the packet.

Recommendation

Staff recommends that the Board of Commissioners adopt the Resolution of The Board of Commissioners of The County of Brunswick, North Carolina Providing For The Issuance of General Obligation Refunding Bonds, Series 2013A And Taxable General Obligation Bonds, Series 2013B, Of The County of Brunswick, North Carolina

Staff recommends that the Board of Commissioners adopt the Resolution of The Board of Commissioners of The County Of Brunswick, North Carolina Making Certain Statements of Fact Concerning Proposed Bond Issue

Staff recommended that the Board of Commissioners adopt the Bond Order Authorizing the Issuance of Not to Exceed \$21,050,000 General Obligation Refunding Bonds of the County Of Brunswick, North Carolina and direct the publication of the order.

The budget amendment for the actual amount of the bonds refunded will be placed on a consent agenda for approval after the bonds are closed and amounts determined.

Commissioner Phillips moved to approve the Resolution Authorizing the Issuance of General Obligation Refunding bonds Series 2013A and Taxable General Obligation Bonds Series 2013B and a Bond Order Authorizing the Issuance of Not to Exceed \$21,050,000 General Obligation Refunding Bonds. The vote of approval was unanimous.

9. Administration – Proposed CIS Funding Request (Steve Stone)

Staff recommends approving the Request from Brunswick County Communities In Schools for Additional Funding for Parenting Education Classes.

Steve Stone, Assistant County Manager, explained that Communities In Schools (CIS) has requested this funding because of a change in state/federal grant guidelines that have hampered the agency's ability to "share" classes between different categories of clients in need of parenting

education services. Essentially, their primary funding source has drawn a very fine line between prevention vs. intervention of child abuse and / or neglect, and has ruled that a parent in the intervention stage cannot be in a class for prevention, even though the content of the instruction is the same. CIS believes that they can continue to provide parent education services to those in need through 6/30/13 for an additional appropriation of \$5,000.00. Your initial appropriation to CIS for FY 13 was \$60,000 to be split between several programs, including parent education. They had requested funding of \$130,000 for those activities.

There are currently sufficient funds available in the grant subsidy appropriation in the FY 13 budget. A budget amendment is not necessary if the Board of Commissioners grants the request of CIS.

Commissioner Sykes moved to approve appropriating an additional \$5,000.00 to Communities in Schools, Inc. for support of their parenting education activities. The vote of approval was unanimous.

10. Administration – Proposed Preliminary FY 2013-2014 Annual Budget Retreat Agenda (Marty Lawing)

Staff recommends reviewing and approving the Preliminary Agenda for the FY 2013-2014 Annual Budget Retreat.

Marty Lawing, County Manager, explained that the Annual Budget Retreat for FY 2013-2014 has been scheduled for Wednesday, February 27, 2013 and Thursday, February 28, 2013. A draft agenda has been developed with a format similar to previous years and contains topics of fiscal significance that will impact the upcoming budget process.

Commissioner Cooke moved to hold the Budget Retreat in the Commissioners Chambers. The vote of approval was 4 ayes (Cooke, Sykes, Phillips, Williams) 1 nay (Norris).

Mr. Lawing announced that the agenda meeting would be held on Tuesday, February 26, 2013 at 8:00 a.m. in the Chambers.

Commissioner Williams moved to approve the Preliminary Agenda for the FY 2013-14 Annual Budget Retreat. The vote of approval was unanimous.

11. Code Enforcement – Proposed Reclassification (Moved to Administrative Report under Adjustments to the Agenda)

Staff requests approving the Reclassification of an Administrative Technician I (Grade 61) Position to a Code Enforcement Officer Position (Grade 64).

Marty Lawing, County Manager explained that currently, the Code Enforcement department consists of an administrator, two officers, and an administrative technician. During the first six months of this fiscal year, the department has handled 530 cases. With this limited staff, it is difficult to stay on top of cases with this amount of volume. In fact, the bulk of this case load was handled by one officer due to the fact the other officer was on leave for 4 ½ months and the administrative technician position was vacated for 1 month during this same reporting period. Thirty-nine percent of these cases have been closed out with most being brought into compliance voluntarily by the violator. Code Enforcement staff has attempted to conduct comprehensive sweeps in neighborhoods that have multiple violations. This is a tremendous strain on resources and could be a more productive method with additional personnel.

In December, 2012, the Administrative Technician submitted her resignation. The existing staff has filled in the duties of this job. This has burdened the existing staff even more. However, if the existing administrative position is reclassified to an officer position, not only will each staff member be able to do more administrative tasks, more violations can be addressed.

The savings from the vacated position, or lapse salary by the end of April, 2013 will be \$10,155 plus taxes and benefits. If the reclassification is approved and an employee is hired to begin work on May 1, 2013, the salary cost for a Code Enforcement Officer will be \$6,570 plus payroll taxes and benefits for the remainder of the fiscal year. The Department would see a savings in the salary line item for the year. The savings would decrease if an employee can be hired before May but there will still be a savings at the end of the fiscal year. The future financial impact of this request would increase future budget years approximately \$5,000 of salary cost plus benefits.

Commissioner Sykes indicated a preference to wait until the salary study is complete before approving any reclassifications.

After discussion, Commissioner Phillips moved to approve the request. The vote of approval was 4 ayes (Phillips, Williams, Norris, Cooke) 1 nay (Sykes).

12. Rural Center Grant Resolution (Marty Lawing)
(Added under Adjustments to the Agenda)

Vice-Chairman Cooke moved to approve the NC Building Restoration and Reuse Grants Program Resolution with the clarification that the benefactor will be responsible for any matching funds. The vote of approval was unanimous.

RESOLUTION
N C Building Restoration and Reuse Grants Program

WHEREAS, the Rural Hope initiative of the North Carolina Rural Economic Development Center is designed to spur economic activity and job creation in the health care sector while improving the availability and quality of health care services in rural communities; and

WHEREAS, Brunswick County is engaged in activities to assist local industries and increase the number of jobs in the area; and,

WHEREAS, Brunswick County intends to request grant assistance from the Rural Hope Grant for the construction costs of an office for Interim HealthCare;

NOW, THEREFORE, BE IT RESOLVED, BY THE COUNTY COMMISSIONERS OF BRUNSWICK COUNTY:

That Brunswick County will provide 5% of the grant amount for the renovation project, if approved for the grant.

That Interim HealthCare will provide for efficient administration, implementation, and operation/maintenance of the project.

That the County Manager is hereby authorized to execute and file an application on behalf of Brunswick County and Interim HealthCare with the North Carolina Economic Development Center for a Rural Hope Grant.

That the County Manager is hereby authorized and directed to furnish such information as the North Carolina Rural Economic Development Center may request in connection with the grant application and project; to make assurances as contained above; and to execute such other documents as any be rewarded in connection with the application.

That Brunswick County has substantially complied or will substantially comply with all Federal, State, and local laws, rules, regulations, and ordinances applicable to the project and to the grants pertaining thereto.

Adopted the 18th day of February, 2013.

s/Phil Norris, Chairman
Brunswick County Board of Commissioners

ATTEST:

s/Deborah (Debby) Gore, NCCCC
Clerk to the Board of Commissioners

VIII. BOARD APPOINTMENTS

1. Brunswick County Small Business Advisory Commission (Bald Head Island Chamber of Commerce recommended appointment)

Commissioner Williams moved to approve the recommended appointment of David Berne from the Bald Head Island Chamber of Commerce. The vote of approval was unanimous.

2. Alcoholic Beverage Control

Vice-Chairman Norris moved to reappoint Amber Lanier. Commissioner Phillips moved to approve the appointment of Ms. Lanier. The vote of approval was unanimous. Amber Lanier will serve a three-year term that will expire on January 1, 2016.

3. Airport Commission appointment

Chairman Norris nominated Jimmy Bellamy. Commissioner Phillips moved to close the nominations. The vote of approval was unanimous. Vice-Chairman Norris moved to approve the appointment of Mr. Bellamy. The vote of approval was unanimous. Jimmy Bellamy will fill the unexpired term of Brandon Sauls (resigned) that will expire on December 1st, 2015.

IX. COUNTY ATTORNEY'S REPORT

1. Resolution of the Brunswick County Board of Commissioners Support of the Constitution and Laws of the United States and North Carolina (Huey Marshall)

Huey Marshall, County Attorney, explained that pertaining to recent events, the Board of Commissioners requested a resolution stating their Oath of Office and their intent to uphold that oath with special consideration of the Second Amendment.

Commissioner Phillips moved to approve the Resolution. The vote of approval was unanimous.

RESOLUTION OF THE BRUNSWICK COUNTY BOARD OF COMMISSIONERS IN SUPPORT OF THE CONSTITUTION AND LAWS OF THE UNITED STATES AND NORTH CAROLINA

Whereas, before entering upon the duties of a County Commissioner for Brunswick County, a person elected or appointed to the office shall take and subscribe the following oath:

"I,, do solemnly swear (or affirm) that I will support and maintain the Constitution and laws of the United States, and the Constitution and laws of North Carolina not inconsistent therewith, and that I will faithfully discharge the duties of my office as a Brunswick County Commissioner so help me God."; and

Whereas, the Board of Commissioners of Brunswick County wishes to reaffirm their oath with special regard to the Second Amendment of the Constitution of the United States and Article One, Section Thirty of the Constitution of North Carolina;

Therefore, the Brunswick County Board of Commissioners resolves to support and maintain the Constitution and laws of the United States, and the Constitution and laws of North Carolina with special

regard to the Second Amendment of the Constitution of the United States and Article One, Section Thirty of the Constitution of North Carolina.

This the 18th day of February, 2013.

s/Phil Norris, Chairman

Brunswick County Commissioners

Attest:

s/Deborah S. (Debby) Gore, NCCCC

Clerk to the Board

2. Deed of Dedication for Woodlands Park West Phase 5 Lots 95-105 & 178-192 St. James Plantation Willow Walk \$58,580.00 for Water and \$41,030.00 for Sewer (Huey Marshall)

Huey Marshall, County Attorney, explained that these lines are ready for acceptance into the county system with a worth of \$58,580.00 for water lines and \$41,030.00 for sewer lines.

Commissioner Phillips moved to approve the Deed of Dedication for Woodlands Park West Phase 5, lots 95-105 & 178-192 (St. James Plantation-Willow Walk). The vote of approval was unanimous.

3. Deed of Dedication for the First Tee of Brunswick County \$20,171.26 for Water (Huey Marshall)

Huey Marshall, County Attorney, explained that these lines are ready for acceptance into the county system with a worth of \$20,171.26 for water lines only.

Commissioner Phillips moved to approve the Deed of Dedication for The First Tee of Brunswick County. The vote of approval was unanimous.

4. Deed of Dedication Bristol Ridge at Windsor Park Section 16; Windsor Pines at Windsor Park Section 11 \$42,262.00 for Water (Huey Marshall)

Huey Marshall, County Attorney, explained that these lines are ready for acceptance into the county system with a worth of \$42,262.00 for water lines only.

Commissioner Phillips moved to approve the Deed of Dedication for Bristol Ridge at Windsor Park Sec 16; Windsor Pines at Windsor Park Sec. 11. The vote of approval was unanimous.

X. OTHER BUSINESS/INFORMAL DISCUSSION

There was no other business to discuss.

XI. ADJOURNMENT

Commissioner Williams moved to adjourn the Regular Meeting at 8:03 p.m. The vote of approval was unanimous.

Phil Norris, Chairman

Deborah (Debby) Gore, NCCCC
Clerk to the Board